



LOS ANGELES COUNTY DEPARTMENT OF MENTAL HEALTH  
550 S. VERMONT AVE., LOS ANGELES, CA 90020 HTTP://DMH.LACOUNTY.GOV



MARVIN J. SOUTHARD, D.S.W.  
Director  
ROBIN KAY, Ph.D.,  
Chief Deputy Director  
RODERICK SHANER, M.D.  
Medical Director


# ADOPTED

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

August 04, 2015

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

31 August 4, 2015

  
PATRICK OZAWA  
ACTING EXECUTIVE OFFICER

Dear Supervisors:

**AUTHORIZATION FOR THE DEPARTMENT OF MENTAL HEALTH TO SIGN AND EXECUTE  
MEMORANDA OF UNDERSTANDING WITH PARTICIPATING PHARMACIES TO PROVIDE  
AND/OR ADMINISTER LONG ACTING INJECTABLE NALTREXONE TO ELIGIBLE CONSUMERS**

**(ALL SUPERVISORIAL DISTRICTS)  
(3 VOTES)**

**SUBJECT**

Request approval for the Department of Mental Health to enter into Memoranda of Understanding with participating pharmacies to provide and/or administer Long Acting Injectable Naltrexone to eligible consumers.

**IT IS RECOMMENDED THAT THE BOARD:**

1. Authorize the Director of Mental Health (Director), or his designee, to sign and execute Memoranda of Understanding (MOU), substantially similar to Attachment I, between the Department of Mental Health (DMH) and the pharmacies shown on Attachment II to provide and/or administer Long Acting Injectable Naltrexone (LAIN) to eligible consumers with co-occurring mental health and substance use disorders (COD). The MOU will be effective upon execution, but not earlier than Board approval, through June 30, 2016, with two optional biennial renewal provisions through June 30, 2020.
2. Delegate authority to the Director, or his designee, to sign and execute MOU with additional qualified pharmacies that will be added to the list on Attachment II, to provide and/or administer LAIN to eligible consumers, subject to the Director notifying your Board and the Chief Executive Officer

(CEO) in writing within 30 days after execution of each such MOU.

3. Delegate authority to the Director, or his designee, to make modifications and/or execute amendments to the approved MOU to improve care coordination, improve operational efficiencies, meet State or federal requirements, and to extend the term for one additional year to June 30, 2021, subject to review and approval by County Counsel and notification to your Board and CEO prior to any such modification or amendment.

4. Delegate authority to the Director, or his designee, to terminate the MOU with any pharmacy described in recommendations 1 and 2 for convenience at any time during the term of the MOU by giving the pharmacy a 30-day written notice.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

Board approval of the recommended actions will allow DMH and the pharmacies in Attachment II, as well as any additional qualified pharmacies, to enter into MOU to provide and/or administer LAIN to eligible DMH consumers with COD, who are clinically assessed by DMH to be opiate and/or alcohol dependent.

The MOU is necessary to establish the parties' mutual understandings, commitments, and protocols with respect to referrals and care coordination. The MOU further details the responsibilities of qualified pharmacies, the credentialing requirements, the protocols governing the exchange of information, and the eligibility of consumers. The MOU defines a qualified pharmacy as one that meets the unique specialized care needs of Medi-Cal eligible consumers who utilize specialty drugs such as LAIN. The pharmacies' responsibilities include, but are not limited to, administering LAIN or filling prescription and delivering the medication to the designated person(s) at the appropriate DMH directly-operated clinics, adhering to established LAIN protocols, and being responsible for administrative services related to management of their provider network services.

LAIN is appropriate for a small number of DMH clients who are spread across the County. The infrastructure necessary to obtain, store, and dispense LAIN is impractical for the DMH directly-operated clinics. Therefore, establishment of the proposed MOU is the most cost-effective, reasonable mechanism for delivery of this necessary medication to clients who otherwise would not have access to it.

LAIN is a monthly extended-release injectable formulation of Naltrexone (also known by its brand name, Vivitrol), an opioid blocker. Opioid blockers such as Naltrexone effectively prevent the subjective effects of opioids or alcohol, such as euphoria, reward, and the relapse to opioid and alcohol dependence. LAIN is currently being efficaciously used by the Department of Public Health's (DPH) Substance Abuse Prevention and Control (SAPC) program. Due to the limited capacity of SAPC sites, DMH is seeking to expand services countywide.

Research has shown that consumers receiving LAIN, in conjunction with counseling, report more days of complete abstinence from opioids and more days sober from alcohol. They also stay in treatment for longer periods of time, feel less need for opioid drugs, and are less likely to relapse to physical dependence than consumers receiving only counseling.

LAIN has the best demonstrated efficacy for those clients with a significant number of cravings, who have experienced multiple treatment failures and exhibit a willingness to engage in treatment. It is

currently being efficaciously used by the DPH SAPC program. Studies on LAIN demonstrate a limited but consistent favorable impact on relapse rates. These findings also indicate that the costs associated with such treatment would be offset by reductions in use of health and mental health resources.

### **Implementation of Strategic Plan Goals**

The recommended actions support the County's Strategic Plan Goal 3, Integrated Services Delivery.

### **FISCAL IMPACT/FINANCING**

There is no fiscal impact/financing associated with this MOU. This MOU is for Medi-Cal eligible consumers only and the pharmacies will bill Medi-Cal directly to receive reimbursement for providing LAIN.

There is no net County cost associated with the recommended actions.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

DMH is seeking your Board's approval to enter into MOU with the pharmacies listed in Attachment II as the State has been using these pharmacies to provide and/or administer LAIN statewide. DMH is also seeking a delegated authority to enter into future MOU, as necessary, with additional qualified pharmacies to address the needs of DMH consumers with COD.

The MOU format (Attachment I) includes provisions on insurance and indemnification, Health Insurance Portability and Accountability Act (HIPAA), and reporting and quality improvement requirements.

Attachment II includes the names and locations of the pharmacies that DMH will enter into the MOU.

The MOU has been reviewed and approved as to form by County Counsel. DMH program administrative staff will ensure the pharmacies' compliance with the terms and conditions of the MOU.

### **CONTRACTING PROCESS**

DMH is using the existing list of pharmacies which the State is utilizing to provide LAIN statewide. Additionally, DMH intends to mail an informational letter to all the pharmacies that have a current pharmacy agreement with DMH to inform them of DMH's interest to enter into a MOU with interested pharmacies that meet the qualifications of providing and/or administering LAIN. DMH intends to enter into an MOU with as many qualified pharmacies as possible to efficiently provide LAIN to as many consumers as possible countywide. DMH will maintain the list of pharmacies with which it enters into the MOU and will make that information available to its directly operated clinics for utilization.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

The Honorable Board of Supervisors

8/4/2015

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Board approval of the proposed actions will enable DMH to provide LAIN to eligible consumers, supporting their recovery from opioid and alcohol dependence. DMH consumers with histories of both opioid dependence and mental illness are at particularly high risk for relapse to opioid dependence, with associated general health and mental health morbidity, and death.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mg Southard". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

MARVIN J. SOUTHARD, D.S.W.

Director of Mental Health

MJS:RS:JS:EG:sk

Enclosures

c: Acting Executive Officer, Board of Supervisors  
Interim Chief Executive Officer  
Interim County Counsel  
Chairperson, Mental Health Commission



# **MEMORANDUM OF AGREEMENT**

**BETWEEN  
[INSERT THE NAME OF PHARMACY]**

**AND**

**THE COUNTY OF LOS ANGELES**

**Acting by and through**

**THE DEPARTMENT OF MENTAL HEALTH**

**Regarding**

Long Acting Injectable Naltrexone

**Prepared by:**

Department of Mental Health  
550 South Vermont Avenue  
Los Angeles, California 90020

MOU NUMBER: \_\_\_\_\_

**RECITALS**

This Memorandum of Understanding (“MOU”) is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2015, by and between **[INSERT THE NAME OF PHARMACY]** (hereafter (“xx”) or (“Contractor”), with its principal office at **[INSERT THE NAME OF PHARMACY]** and the County of Los Angeles (hereafter “County”) acting by and through the Department of Mental Health (hereafter “DMH”), with its principal office located at 550 South Vermont Avenue, Los Angeles, California, 90020. DMH and **[INSERT THE NAME OF PHARMACY]** may sometimes be referred to herein as “Party” or “Parties”.

WHEREAS, DMH has a need for, and desires to find new, more effective and efficient ways to provide quality services to consumers by forming a partnership with a qualified pharmacies to provide and/or administer Long Acting Injectable Naltrexone (“LAIN”) to eligible consumers with co-occurring mental health and substance use disorders (“COD”).

WHEREAS, DMH and **[INSERT THE NAME OF PHARMACY]** agree that it is in their best interest to enter into this MOU to provide essential treatment to eligible consumers, supporting their recovery from opioid and alcohol dependence.

NOW, THEREFORE, the parties hereto agree as follows:

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## **PURPOSE**

The purpose of this MOU is to provide and/or administer LAIN to eligible consumers with COD. LAIN is a monthly extended-release injectable formulation of Naltrexone (also known *by its brand name* Vivitrol), an opioid blocker. Opioid blockers such as Naltrexone *effectively* prevent the subjective effects of opioids or alcohol, such as euphoria, reward, *and the* relapse to opioid and alcohol dependence.

Research has shown that consumers receiving LAIN, in conjunction with counseling, report more days of complete abstinence from opioids and more days sober from alcohol. They also stay in treatment for longer periods of time, feel less need for opioid drugs, and are less likely to relapse to physical dependence than consumers receiving only counseling.

LAIN has the best demonstrated efficacy for those clients with a significant number of cravings, who have experienced multiple treatment failures and exhibit a willingness to engage in treatment. Studies on LAIN demonstrate a limited but consistent favorable impact on relapse rates. These findings also indicate that the costs associated with such treatment would be offset by reductions in use of health and mental health resources.

## **DEFINITIONS**

The following definitions should apply to this MOU:

- A. *Eligible consumers or beneficiaries* means consumers who seek treatment at DMH directly operated clinics who are Medi-Cal eligible at the time of receiving the treatment.
- B. *Consumer or patient* means person who receives DMH treatment and services.
- C. *Prescriber* means DMH Mental Health Psychiatrist or DMH Nurse Practitioner.
- D. *Specialty Pharmacy/Qualified Pharmacy* means a pharmacy that meets the unique specialized care needs of Medi-Cal eligible consumers/patients who utilize specialty drugs.

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## **ELIGIBILITY OF CONSUMERS TO BE SERVED BY QUALIFIED PHARMACIES**

Consumers served under this MOU must be Medi-Cal beneficiaries at the time of receiving the treatment (i.e. each injection). Non-Medi-Cal eligible consumers will not be referred under this MOU. DMH shall not be responsible for any payments for non-Medi-Cal eligible consumers.

**[Insert agency name]** will be responsible for verifying Medi-Cal eligibility independently prior to providing and/or administering the treatment to consumers.

## **OVERSIGHT RESPONSIBILITIES OF THE [INSERT THE NAME OF PHARMACY] AND DMH**

- A. **[INSERT THE NAME OF PHARMACY]** shall administer LAIN or fill prescription and deliver the medication to the designated person(s) at the appropriate DMH site.
- B. **[INSERT THE NAME OF PHARMACY]** shall be responsible for administrative services related to management of their provider network services.
- C. **[INSERT THE NAME OF PHARMACY]** is required to share essential information with DMH as necessary and appropriate for treatment purposes and care coordination.
- D. **[INSERT THE NAME OF PHARMACY]** shall adhere to its established LAIN protocols.
- E. **[INSERT THE NAME OF PHARMACY]** and DMH oversight team composed of representatives of **[INSERT THE NAME OF PHARMACY]** and DMH shall have responsibilities for program oversight, quality improvement, problem and dispute resolution, and ongoing management of the MOU.

## **REFERRAL PROCESS TO [INSERT THE NAME OF PHARMACY]**

- A. Prescriptions for LAIN shall only be made by DMH prescribers.
- B. DMH directly operated programs/clinics may order LAIN through DMH's Surescripts certified electronic prescribing software with electronic prescribing functionality for delivery to and/or administration of LAIN at the appropriate DMH directly operate sites.
- C. DMH will complete the agreed upon information when entering into DMH's Surescripts certified electronic prescribing software with electronic prescribing functionality. Information will include the following agreed upon information:

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- a. An e-Script from a DMH prescriber.
- b. Consumer demographic information:
  - i. Social Security Number, or
  - ii. Medi-Cal Client Identification Number (CIN)
- D. Pertinent consumer information as requested by the pharmacy to establish financial eligibility will be provided by DMH.

### **CARE COORDINATION**

**[INSERT THE NAME OF PHARMACY]** and DMH shall have written policies and procedures which address, but are not limited to, the following:

- A. A process for **[INSERT THE NAME OF PHARMACY]** to coordinate with DMH for continuity of care.
- B. Notification to DMH with time, date of administration, and immediate adverse effects.
- C. Timely information exchange when treatment is completed.

### **PROTOCOLS GOVERNING THE EXCHANGE OF INFORMATION**

**[INSERT THE NAME OF PHARMACY]** and DMH shall have written policies and procedures governing the exchange of information which address, but are not limited to, the following:

- A. The parties understand and agree that each party has obligations under HIPAA with respect to the confidentiality, privacy, and security of patients' health information, and that each must take certain steps to preserve the confidentiality of this information, both internally and externally, including the training of staff and the establishment of proper procedures for the release of such information, including, when required, the use of appropriate authorizations specified under HIPAA.
- B. Each party acknowledges that it may have additional obligations under other State or federal laws that may impose on that party additional restrictions with respect to the sharing of information, including but not limited to the Confidentiality of Medical Information Act, Welfare and Institutions Code Section 5238 et seq. and 42 Code of Federal Regulations Part 2.
- C. Each party acknowledges the understanding of exchange of data to coordinate care for eligible consumers, including protocols governing the secure and legally permissible exchange of information, to ensure coordination of physical health, mental health, and substance abuse.

- a. Information shared between **[INSERT THE NAME OF PHARMACY]** and DMH shall be treated as Protected Health Information (PHI).
- b. **[INSERT THE NAME OF PHARMACY]** is responsible for ensuring that the manner in which client information is shared with DMH complies with HIPAA.
- c. Signed authorizations to release information will be required for exchange of all information between providers not covered under coordination of care. Form, content and recording of authorizations to release information will be managed in accordance with applicable regulations.

**HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996 (“HIPAA”)**

- A. The parties acknowledge the existence of the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and its implementing regulations. **[INSERT THE NAME OF PHARMACY]** understands and agrees that, as a provider of medical treatment services, it is a “covered entity” under HIPAA and, as such, has obligations with respect to the confidentiality, privacy, and security of patients’ medical information, and must take certain steps to preserve the confidentiality of this information, both internally and externally, including the training of its staff and the establishment of proper procedures for the release of such information, including the use of appropriate consents and authorizations specified under HIPAA.
- B. The parties acknowledge their separate and independent obligations with respect to HIPAA and that such obligations relate to transactions and code sets, privacy, and security. **[INSERT THE NAME OF PHARMACY]** understands and agrees that it is separately and independently responsible for compliance with HIPAA in all these areas and that County has not undertaken any responsibility for compliance on **[INSERT THE NAME OF PHARMACY]**’s behalf. **[INSERT THE NAME OF PHARMACY]** has not relied, and will not in any way rely, on County for legal advice or other representations with respect to **[INSERT THE NAME OF PHARMACY]**’s obligations under HIPAA but will independently seek its own counsel and take the necessary measures to comply with the law and its implementing regulations.
- C. **[INSERT THE NAME OF PHARMACY]** and County understand and agree that each is independently responsible for HIPAA compliance and agree to take all necessary and reasonable actions to comply with the requirements of the HIPAA laws and implementing regulations related to transactions and code sets, privacy, and security.
- D. Each party further agrees that, should it fail to comply with its obligations under HIPAA, it shall indemnify and hold harmless the other party (including the other party’s officers, employees, and agents), for damages to the other party that are attributable to such failure.

## **REPORTING AND QUALITY IMPROVEMENT REQUIREMENTS**

**[INSERT THE NAME OF PHARMACY]** and DMH shall develop written policies, procedures, and reports to address quality improvement requirements for treatment including, but not limited to meetings, as agreed upon, to review the referral and care coordination process and to monitor utilization.

## **DISPUTE RESOLUTION**

**[insert agency name]** and DMH will follow a mutually agreed upon review process to facilitate timely resolution of clinical and administrative disputes.

A. Dispute Resolution related to reimbursement for services:

- **[INSERT THE NAME OF PHARMACY]** is responsible for verifying Medi-Cal eligibility before each service. Any dispute regarding reimbursement shall be dealt with directly with Medi-Cal.

B. Dispute Resolution related to issues other than reimbursement for services:

- Management from **[INSERT THE NAME OF PHARMACY]** and DMH will review and report on the outcomes of the findings.

## **DMH RESPONSIBILITIES**

DMH shall designate the following person to serve as DMH's MOU manager to function as liaison with **[INSERT THE NAME OF PHARMACY]** and coordinate overall management of this MOU on DMH'S behalf:

John Sheehe, LCSW  
Office of the Medical Director  
550 South Vermont Avenue, 10<sup>th</sup> floor  
Los Angeles, CA 90020  
[jsheehe@dmh.lacounty.gov](mailto:jsheehe@dmh.lacounty.gov)

## **CREDENTIALING**

DMH will accept the **[INSERT THE NAME OF PHARMACY]** credentialing system. All individuals providing clinical services under this MOU must be credentialed in accordance with acceptable standards approved by the DMH.

## **CLINICAL RECORDS**

DMH and **[INSERT THE NAME OF PHARMACY]** shall maintain their own separate clinical records systems. The DMH clinical record will be maintained at the DMH sites.

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## **INSURANCE AND INDEMNIFICATION**

- A. General Provisions for all Insurance Coverage: Without limiting Contractor's indemnification of County, and in the performance of this MOU and until all of its obligations pursuant to this MOU have been met, Contractor shall provide and maintain at its own expense insurance coverage satisfying the requirements specified in Sections 8.24 and 8.25 of this MOU. These minimum insurance coverage terms, types and limits (the "Required Insurance") also are in addition to and separate from any other contractual obligation imposed upon Contractor pursuant to this MOU. The County in no way warrants that the Required Insurance is sufficient to protect the Contractor for liabilities which may arise from or relate to this MOU.

### **a. Evidence of Coverage and Notice to County**

- Certificate(s) of insurance coverage (Certificate) satisfactory to County, and a copy of an Additional Insured endorsement confirming County and its Agents (defined below) has been given Insured status under the Contractor's General Liability policy, shall be delivered to County at the address shown below and provided prior to commencing services under this MOU.
- Renewal Certificates shall be provided to County not less than 10 days prior to Contractor's policy expiration dates. The County reserves the right to obtain complete, certified copies of any required Contractor and/or Sub-Contractor insurance policies at any time.
- Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this MOU by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of the Contractor identified as the contracting party in this MOU. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding fifty thousand (\$50,000.00) dollars, and list any County required endorsement forms.
- Neither the County's failure to obtain, nor the County's receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by the Contractor, its insurance broker(s)

and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.

Certificates and copies of any required endorsements shall be sent to:

Department of Mental Health  
Contracts Development and Administration Division  
550 South Vermont Avenue, 5<sup>th</sup> floor, Room 500  
Los Angeles, CA 90020  
Attention: Richard Kushi

Contractor also shall promptly report to County any injury or property damage accident or incident, including any injury to a Contractor employee occurring on County property, and any loss, disappearance, destruction, misuse, or theft of County property, monies or securities entrusted to Contractor. Contractor also shall promptly notify County of any third party claim or suit filed against Contractor or any of its Sub-Contractors which arises from or relates to this MOU, and could result in the filing of a claim or lawsuit against Contractor and/or County.

**b. Additional Insured Status and Scope of Coverage**

The County of Los Angeles, its Special Districts, Elected Officials, Officers, Agents, Employees and Volunteers (collectively County and its Agents) shall be provided additional insured status under Contractor's General Liability policy with respect to liability arising out of Contractor's ongoing and completed operations performed on behalf of the County. County and its Agents additional insured status shall apply with respect to liability and defense of suits arising out of the Contractor's acts or omissions, whether such liability is attributable to the Contractor or to the County. The full policy limits and scope of protection also shall apply to the County and its Agents as an additional insured, even if they exceed the County's minimum Required Insurance specifications herein. Use of an automatic additional insured endorsement form is acceptable providing it satisfies the Required Insurance provisions herein.

**c. Cancellation of or Changes in Insurance**

Contractor shall provide County with, or Contractor's insurance policies shall contain a provision that County shall receive, written notice of cancellation or any change in Required Insurance, including insurer, limits of coverage, term of coverage or policy period. The written notice shall be provided to County at least ten

(10) days in advance of cancellation for non-payment of premium and thirty (30) days in advance for any other cancellation or policy change. Failure to provide written notice of cancellation or any change in Required Insurance may constitute a material breach of the MOU, in the sole discretion of the County, upon which the County may suspend or terminate this MOU.

**d. Contractor's Insurance Shall Be Primary**

Contractor's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance shall constitute a material breach of the MOU, upon which County immediately may withhold payments due to Contractor, and/or suspend or terminate this MOU. County, at its sole discretion, may obtain damages from Contractor resulting from said breach. Alternatively, the County may purchase the Required Insurance, and without further notice to Contractor, deduct the premium cost from sums due to Contractor or pursue Contractor reimbursement.

**e. Insurer Financial Ratings**

Coverage shall be placed with insurers acceptable to the County with A.M. Best ratings of not less than A:VII unless otherwise approved by County.

**f. Contractor's Insurance Shall Be Primary**

Contractor's insurance policies, with respect to any claims related to this MOU, shall be primary with respect to all other sources of coverage available to Contractor. Any County maintained insurance or self-insurance coverage shall be in excess of and not contribute to any Contractor coverage.

**g. Waivers of Subrogation**

To the fullest extent permitted by law, the Contractor hereby waives its rights and its insurer(s)' rights of recovery against County under all the Required Insurance for any loss arising from or relating to this MOU. The Contractor shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to effect such waiver.

**h. Sub-Contractor Insurance Coverage Requirements**

Contractor shall include all Sub-Contractors as insureds under Contractor's own policies, or shall provide County with each Sub-Contractor's separate evidence of insurance coverage. Contractor shall be responsible for verifying each Sub-Contractor

complies with the Required Insurance provisions herein, and shall require that each Sub-Contractor name the County and Contractor as additional insureds on the Sub-Contractor's General Liability policy. Contractor shall obtain County's prior review and approval of any Sub-Contractor request for modification of the Required Insurance.

**i. Deductibles and Self-Insured Retentions (SIRs)**

Contractor's policies shall not obligate the County to pay any portion of any Contractor deductible or SIR. The County retains the right to require Contractor to reduce or eliminate policy deductibles and SIRs as respects the County, or to provide a bond guaranteeing Contractor's payment of all deductibles and SIRs, including all related claims investigation, administration and defense expenses. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

**j. Claims Made Coverage**

If any part of the Required Insurance is written on a claims made basis, any policy retroactive date shall precede the effective date of this MOU. Contractor understands and agrees it shall maintain such coverage for a period of not less than three (3) years following MOU expiration, termination or cancellation.

**k. Application of Excess Liability Coverage**

Contractors may use a combination of primary, and excess insurance policies which provide coverage as broad as the underlying primary policies, to satisfy the Required Insurance provisions.

**l. Separation of Insureds**

All liability policies shall provide cross-liability coverage as would be afforded by the standard ISO (Insurance Services Office, Inc.) separation of insureds provision with no insured versus insured exclusions or limitations.

**m. Alternative Risk Financing Programs**

The County reserves the right to review, and then approve, Contractor use of self-insurance, risk retention groups, risk purchasing groups, pooling arrangements and captive insurance to satisfy the Required Insurance provisions. The County and its Agents shall be designated as an Additional Covered Party under any approved program.

n. **County Review and Approval of Insurance Requirements**

The County reserves the right to review and adjust the Required Insurance provisions, conditioned upon County's determination of changes in risk exposures.

B. Insurance Coverage

- a. **Commercial General Liability** insurance (providing scope of coverage equivalent to ISO policy form CG 00 01), naming County and its Agents as an additional insured, with limits of not less than:

General Aggregate: \$2 million

Products/Completed Operations Aggregate: \$1 million

Personal and Advertising Injury: \$1 million

Each Occurrence: \$1 million

- b. **Automobile Liability** insurance (providing scope of coverage equivalent to ISO policy form CA 00 01) with limits of not less than \$1 million for bodily injury and property damage, in combined or equivalent split limits, for each single accident. Insurance shall cover liability arising out of Contractor's use of autos pursuant to this MOU, including owned, leased, hired, and/or non-owned autos, as each may be applicable.

- c. **Workers Compensation and Employers' Liability** insurance or qualified self-insurance satisfying statutory requirements, which includes Employers' Liability coverage with limits of not less than \$1 million per accident. If Contractor will provide leased employees, or, is an employee leasing or temporary staffing firm or a professional employer organization (PEO), coverage also shall include an Alternate Employer Endorsement (providing scope of coverage equivalent to ISO policy form WC 00 03 01 A) naming the County as the Alternate Employer, and the endorsement form shall be modified to provide that County will receive not less than thirty (30) days advance written notice of cancellation of this coverage provision. If applicable to Contractor's operations, coverage also shall be arranged to satisfy the requirements of any federal workers or workmen's compensation law or any federal occupational disease law.

- d. **Sexual Misconduct Liability** insurance covering actual or alleged claims for sexual misconduct and/or molestation with limits of not less than \$2 million per claim and \$2 million aggregate, and claims for negligent employment, investigation, supervision, training or



retention of, or failure to report to proper authorities, a person(s) who committed any act of abuse, molestation, harassment, mistreatment or maltreatment of a sexual nature.

- e. **Professional Liability/Errors and Omissions** insurance covering Contractor's liability arising from or related to this MOU, with limits of not less than \$1 million per claim and \$2 million aggregate. Further, Contractor understands and agrees it shall maintain such coverage for a period of not less than three (3) years following this Agreement's expiration, termination or cancellation.

C. Indemnification: **[INSERT THE NAME OF PHARMACY]** shall indemnify, defend and hold harmless the County, its Special Districts, elected and appointed officers, employees, agents and volunteers ("County Indemnitees") from and against any and all liability, including but not limited to demands, claims, actions, fees, costs and expenses (including attorney and expert witness fees), arising from and/or relating to this MOU, except for such loss or damage arising from the sole negligence or willful misconduct of the County Indemnitees.

## **GENERAL PROVISIONS**

- A. Independent Contractor. This MOU shall not create the relationship of employer and employee, a partnership, or joint venture between the parties. Notwithstanding scheduling of consumers, each party shall determine the number of days and hours of work of its employees, agents and sub-contractors and shall be solely liable for the wages, employment taxes, fringe benefits, work schedules, and work conditions of its employees, agents and subcontractors.
- B. No Third Party Beneficiaries. Nothing in this MOU, expressed or implied, is intended to nor shall be construed to confer upon any person entity, other than the parties to this Agreement, any remedy or claim under or by reason of this Agreement as third-party beneficiaries or otherwise. The terms of this MOU are for the sole and exclusive benefit of the parties to this Agreement.
- C. Liability. No party is responsible for the acts of third parties. Each party is responsible for its own acts or omissions and those of its directors, officers, employees and agents.
- D. Non-assignment. No party to this MOU may assign this MOU, and any rights or obligations, hereunder, whether by written agreement, operation of law or in any manner whatsoever, without the non-assigning party's prior written consent, which consent shall be unreasonably withheld.

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## **FISCAL PROVISIONS**

This MOU is a non-financial agreement.

No amounts are due to either party as a result of this MOU. No charges shall be made and no fiscal exchange shall occur as a result of this MOU.

## **TERM AND TERMINATION**

The term of this MOU shall commence and be effective upon the date of execution and shall continue through June 30, 2016 with two optional biannual renewals. No further action is required by either party to renew the MOU. The first renewal period will be effective July 1, 2016 through June 30, 2018 unless terminated sooner by either party. The second renewal period will be effective July 1, 2018 through June 30, 2020 unless terminated sooner by either party.

Either party may terminate this MOU at any time without cause by giving at least thirty (30) calendar days advance written notice of termination to the other party.

This Agreement may be modified by written amendment executed by both parties.

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**IN WITNESS HEREOF**, the parties hereto have executed this MOU as of this  
\_\_\_\_\_ day of \_\_\_\_\_, 2015.

**COUNTY OF LOS ANGELES**  
DEPARTMENT OF MENTAL HEALTH

**[INSERT THE NAME OF PHARMACY]**

\_\_\_\_\_  
MARVIN J. SOUTHARD D.S.W.  
DIRECTOR

\_\_\_\_\_  
[insert name and title]

\_\_\_\_\_  
DATE

\_\_\_\_\_  
DATE

**COUNTY OF LOS ANGELES**  
**DEPARTMENT OF MENTAL HEALTH**  
**LIST OF PHARMACIES FOR THE LAIN PROGRAM**

<b>Pharmacy Name</b>	<b>Address</b>	<b>Telephone</b>	<b>Fax</b>
Acaria Specialty Pharmacy	3302 Garfield Ave., Commerce, CA 90040	855-422-2742	855-772-4610
Acaria Specialty Pharmacy	4225 Northgate Blvd., Suite 2, Sacramento, CA 95834	855-422-2742	855-772-4610
Avella Specialty Pharmacy of Sacramento	2288 Auburn Blvd., Suite 102, Sacramento, CA 95821	888-792-3888	888-554-3299
Community Pharmacy, A Walgreens Pharmacy	2262 Market St., San Francisco, CA 94114	415-255-0101	415-255-0201
Community Pharmacy, A Walgreens Pharmacy	4940 Van Nuys Blvd., Suite 104, Sherman Oaks, CA 91403	818-990-3784	818-990-1862
Safeway/Vons Specialty Care	Statewide	877-466-8028	877-466-8040